

Introduction to the Antelope Valley

Site of California's Aerospace Turnaround

SR Technics - a subsidiary of Swissair - will bring 6,000 new jobs to Palmdale by 2002

"...the arrival of industries like SR Technics is part of a new blueprint for prosperity in the 21st Century. This new lease – leading to up to 6,000 highly skilled aircraft maintenance and repair jobs – demonstrates that we can pull together."

- Governor Gray Davis

"Palmdale represents the site we feel will give our company the greatest opportunity for success. We are very pleased with the arrangement, and appreciative of the welcome we have received in California."

Dr. Hans Ulrich, SR Technics President and CEO

March 1, 2000

HLB Decision Economics, Inc.

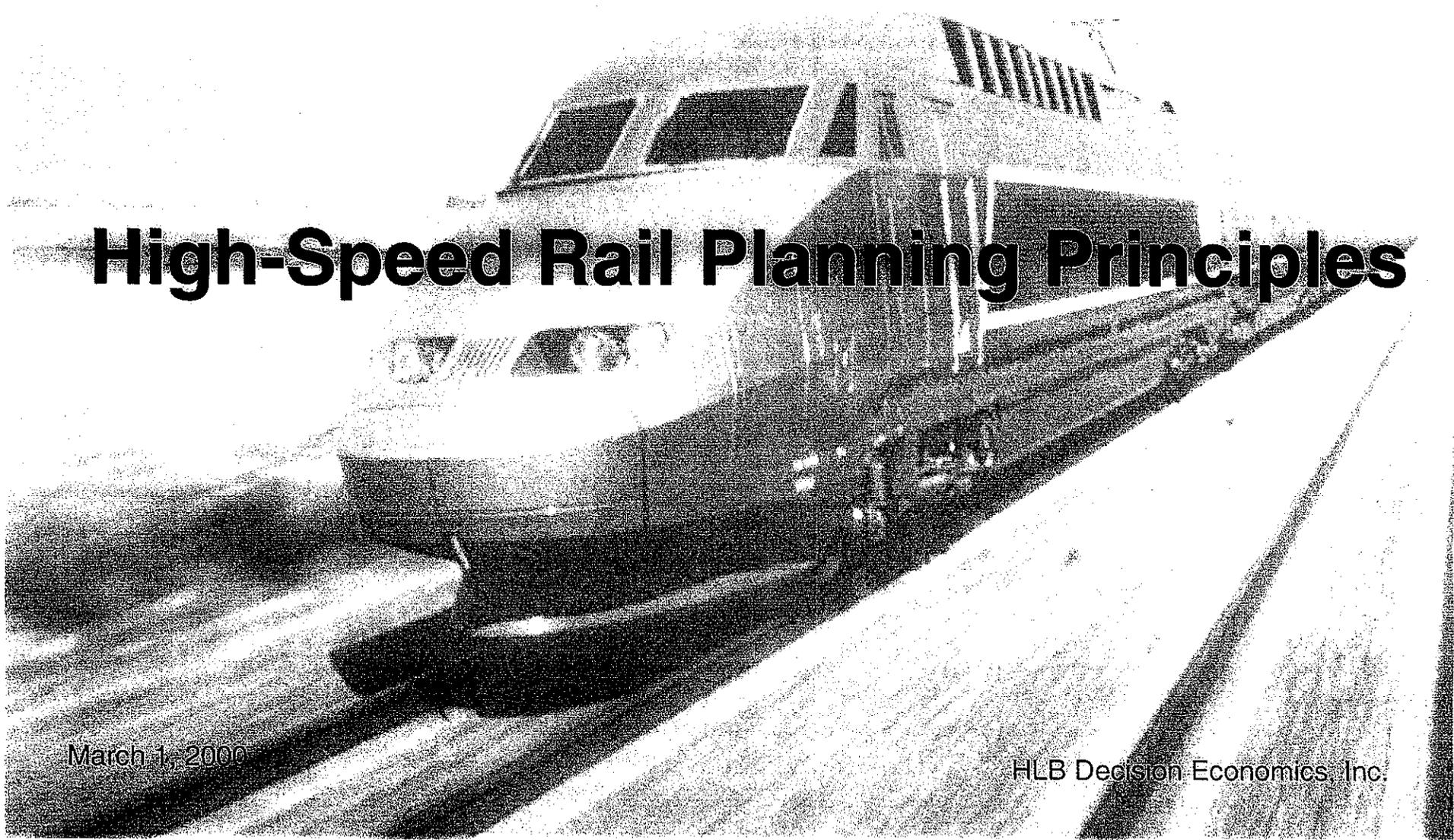


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**The Antelope Valley HSR Alignment:
The Best Choice for California**

High-Speed Rail Planning Principles

A black and white photograph of a high-speed train on a track. The train is moving from left to right, and the tracks curve into the distance. The image is grainy and has a high-contrast, halftone-like texture.

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High-Speed Rail Planning Principles

California High-Speed Rail Act of 1999

§185010(h) -- In order for the state to have a comprehensive network of high-speed intercity rail systems by the year 2020, it must begin preparation of a high-speed intercity rail plan similar to California's former freeway plan...

High-Speed Rail Planning Principles

California High-Speed Rail Act of 1996

§185010(i) -- Utilizing existing human and manufacturing resources to build a large network of high-speed rail systems will generate jobs and economic growth...

High-Speed Rail Planning Principles

California High-Speed Rail Act of 1996

§185030 -- The authority shall direct the development and implementation of intricate high-speed rail service that is fully integrated with the state's existing intricate rail and bus network, consisting of interlinked conventional and high-speed rail lines and associated feeder buses.

High-Speed Rail Planning Principles

DEAR CALIFORNIANS

The California High-Speed Rail Authority presents this draft business plan in compliance with the mandate identified in Chapter 796 of the Statutes of 1996 (Senate Bill 1450, Korte and Costa). This plan represents fairly the interests of Californians and details a high-speed train system and construction, operating and financing the system, and how California can accommodate this business plan.

California High-Speed Rail Authority Draft Business Plan, January 2000 Letter of Transmittal

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We find that a high-speed train system to provide financial returns to the state and provide a system that can be operated without public subsidy. The public subsidy which is necessary to ensure the construction of the basic system.

An Evolutionary Step for Transportation in California

With our own state's history and approach to transit, we explored how other nations that have high-speed train systems developed their approaches, pursued their programs, and built their systems.

Specifically, the French and German experiences are most instructive for California. When both nations began exploring high speed trains as a transportation option, their populations were similar to what California is expected to experience in the coming decade. They pursued their programs at the same time that highways and airports expanded. And they built their systems in order that their entire infrastructure would work better for their citizens.

The same should hold for California. High-speed trains, in our view, are a logical next step in California's transportation evolution. We do not envision high-speed trains replacing the need to expand highways and airports; we do expect that Californians will enjoy a more efficient and productive transportation infrastructure with the advent of high-speed trains.

March 1, 2000

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